

**CITY OF MUSKEGON
PLANNING COMMISSION
REGULAR MEETING
MINUTES**

September 14, 2017

Vice Chairman B. Larson called the meeting to order at 4:00 p.m. and roll was taken.

MEMBERS PRESENT: F. Peterson, B. Larson, E. Hood, J. Montgomery-Keast, B. Mazade, S. Gawron, J. Doyle, M. Hovey-Wright

MEMBERS ABSENT: T. Michalski

STAFF PRESENT: M. Franzak, D. Renkenberger

OTHERS PRESENT: S. Dryer, 3017 Wellwood; K. Johnson, Arizona; K. Daniels, 2971 Country Club Dr; D. Wendtland, 1399 Nelson; G. Kartes, boat slip owner; D. Kelson, 3440 Fulton; R. Charron for Terrace Point Landing; O. Crain, 349 Terrace Point Circle

APPROVAL OF MINUTES

A motion to approve the Minutes of the special Planning Commission meeting of July 13, 2017 was made by J. Montgomery-Keast, supported by F. Peterson and unanimously approved.

PUBLIC HEARINGS

Hearing, Case 2017-23: Request to rezone the property at 2490 Barclay St from RM-1, Low Density Multiple-Family Residential District and B-2, Convenience and Comparison Business District to B-4, General Business District, by Jason Franklin. M. Franzak presented the staff report. The property measures 10.4 acres and is divided into two different zoning designations -- RM-1, Low Density Multiple-Family Residential and B-2, Convenience and Comparison Business. There is access to the property off of Dowd St and also from a two-track at the end of Pulaski Ave. The vacant parcel is owned by the Muskegon County Land Bank Authority. The applicant is Terra Contractors and they are considering purchasing the property. They operate their current business at 856 Pulaski Ave, which is near this site. They also utilize the parcels across Kinsey St for aggregate storage. They are seeking a zoning change to B-4, General Business District so that they may store materials such as aggregates on this property as well. This storage would have to be screened from residential uses and public streets. The applicant proposes to keep a tree buffer and also screen with a privacy fence. The 1997 Master Land Use Plan calls for this area to be set aside for residential development or the continuation of limited business uses with the extension of Pulaski Ave. Staff does not feel that outdoor storage is the highest and best use for this property. Although the property is contaminated with foundry fill, it would still be feasible for residential development, with Brownfield redevelopment incentives. Staff recommends against approval of the request. Notice was sent to all property owners/tenants within 300 feet of this property. At the time of this writing, staff had received two comments from neighbors objecting to the request.

S. Dryer spoke on behalf of the applicant, J. Franklin. He stated that they wished to expand their operations in the area. He provided an aerial view of the area showing their current location and the proposed additional location. He stated that they would utilize the interior portion of lot and maintain a buffer of trees around the perimeter of the lot to shield neighboring areas. J. Montgomery-Keast asked if the property would be fenced. S. Dryer stated that there would be a 6-foot chain link fence in addition to

a 10-foot tree buffer zone. J. Montgomery-Keast asked where the trucks would enter and exit. S. Dryer stated that they would continue to access the property off Pulaski Ave, as they were now doing. F. Peterson asked if it was imperative that aggregate be stored at that location. S. Dryer stated that it was, as this property was adjacent to their current location and having aggregate storage nearby would enable them to avoid having to load up heavy equipment and drive to a separate location. He stated that the property was currently owned by the County of Muskegon and they would like to have it back on the tax rolls.

A motion to close the public hearing was made by J. Montgomery-Keast, supported by J. Doyle and unanimously approved.

F. Peterson stated that the property had been vacant at least 10 years; however, a vacant parcel with aggregate storage would add minimal taxable value. He asked if the property had been marketed for sale. S. Dryer stated that he wasn't sure, but the parcel was heavily polluted and the previous owner had lost it to tax foreclosure.

A motion that the request to rezone the property at 2490 Barclay St from RM-1, Low Density Multiple-Family Residential District and B-2, Convenience and Comparison Business District to B-4, General Business District be recommended to the City Commission for denial, as it does not conform to the City's Master Plan was made by B. Mazade, supported by F. Peterson and unanimously approved, with F. Peterson, B. Larson, E. Hood, J. Montgomery-Keast, B. Mazade, S. Gawron, J. Doyle, and M. Hovey-Wright voting aye.

Hearing, Case 2017-24: Request to amend the Planned Unit Development at 3425 Fulton Avenue to allow a hotel in the former clubhouse building, by Kurt Johnson. M. Franzak presented the staff report. The subject property measures 1.5 acres and is part of the Harbour Towne Planned Unit Development (PUD). This building has been vacant since 2011. The underlying zoning is Lakefront Recreation, which does allow for hotels; however, an amendment to the PUD is necessary because it was not approved as part of the original plan. The building had previously been used as a clubhouse for the Harbour Towne Yacht Club, which included a restaurant and lounge. The proposed hotel would include seven units on the first floor and a reception area in the basement. A rendering of the floor plan was provided. Five smaller units would be located on the north side of the building and two larger units would be located on the south side of the building. The owner is proposing to allow the marina owners access to the reception area and pool. There are 81 parking spaces associated with this parcel, which is more than required by the ordinance. The owner provided a letter explaining his plans. Notice was sent to all property owners/tenants within 300 feet of this property. The following marina slip owners submitted comments via e-mail: L. Balkema was concerned that there may be conflicts between the slip owners and the hotel guests, and recommended that if approved, a fence be installed around the property to keep the hotel guests off of the marina docks; J. Stuck wrote in support of the proposal as long as there were some restrictions; J. Jesko was opposed to the request. Property owners in the area also contacted staff: T. Bensinger, 3432 Sand Dock Ct and B. Zulauf, 3440 Pigeon Hill Ct wrote in support of the request as long as an expansion of the current building was not planned; C. Merritt, 3408 Fulton, was opposed to the proposal due to the additional traffic, noise, and congestion that could occur. Staff recommends approval of the PUD amendment, as the underlying zoning district allows this type of use.

K. Johnson stated that a hotel would be a permitted use by right in this location due to the Lakefront Recreation zoning, but because there was a PUD, an amendment to that was required. B. Mazade confirmed that Planning Commission approval would not have been required if not for the PUD, and that because the site was 1.5 acres, staff could have approved the request with a site plan review without Planning Commission involvement. K. Johnson stated that he had travelled to his area to visit family and had noticed the vacant building. He has owned it for a year and has been considering his development options; the only viable option he could envision was a hotel. He saw a need for temporary lodging in the

area, other than vacation rental homes. He stated that he planned to have 7 rooms in the hotel as mentioned. He desired to work with the marina neighbors and had met with the board to discuss the use of the properties. He stated that the building was in need of significant renovations; he planned to change the front of the building to have the entrance face north and landscape the property to make it look attractive. B. Mazade asked if he planned to have short- or long-term hotel rooms. K. Johnson stated that he planned to have 2 larger units with full kitchens that would accommodate longer stays, with 5 other units on the north side of the building being more like traditional hotel rooms with small efficiency kitchens. M. Hovey-Wright asked if there would be any public spaces. K. Johnson stated that there may possibly be conference space for rent in the hotel but he had no plans for a public bar or lounge. He stated that he attended the Beachwood/Bluffton Neighborhood Association meeting to discuss his plans and recorded 14 comments in favor of the project.

K. Daniels of 2971 Country Club Dr spoke in favor of the request, as did D. Wendtland of 1399 Nelson. G. Kartes owned a boat slip at the marina and was in favor of the proposal, as it would help property values. There was concern about possible expansion of the hotel in the future, and if hotel guests would use marina property. M. Franzak stated that this request was only to utilize the existing building, and any expansion would require the owner to come back before the Planning Commission for approval. K. Johnson stated that there would be no need for hotel guests to access marina property. D. Kelson asked if there was a rendering of the proposed hotel and how long it would take to build. K. Johnson stated that he did not have drawings of the hotel but it would look like what was there now, except that the entrance would be moved.

A motion to close the public hearing was made by B. Mazade, supported by E. Hood and unanimously approved.

A motion that the request to amend the Planned Unit Development at 3425 Fulton Avenue to allow a 7-room hotel at the former clubhouse building with the condition that any additions to the building must be approved by the Planning Commission, be recommended to the City Commission for approval was made by F. Peterson, supported by M. Hovey-Wright and unanimously approved, with F. Peterson, B. Larson, E. Hood, J. Montgomery-Keast, B. Mazade, S. Gawron, J. Doyle, and M. Hovey-Wright voting aye.

Hearing, Case 2017-25: Request to amend the Planned Unit Development at 650 Terrace Point Circle (Terrace Point Landing Condominiums) to reconfigure the interior lots to allow duplex units, by Terrace Point Landing, LLC. M. Franzak presented the staff report. This PUD was previously approved for single-family homes on 70 separate lots. The proposed amendment would change the requirements for a portion of the non-waterfront lots. A site plan was provided showing which lots were proposed for duplexes. Thirty-eight lots would be combined to create 19 lots which would hold one- or two-unit homes. The original PUD had the development requirements defined in the “Sears Architects” document. This document will stay the same for the waterfront lots, but a new document has been created for the non-waterfront lots. The only differences between the two documents are as follows: a) Waterfront lots – one dwelling unit per lot maximum (owners may purchase two lots and develop only one unit); b) Non-waterfront lots – one or two dwelling units per lot maximum (no adjacent lots can be purchased without developing another unit), c) Waterfront lots – 15 foot minimum rear setback; Non-waterfront lots – 10 foot minimum rear setback; d) Waterfront Lots – A minimum of one shade tree per unit, and e) Non-waterfront Lots – A new landscaping plan for the entire area has been provided. Notice was sent to all property owners/tenants within 300 feet of this property. Staff received one comment in favor of the request. Staff recommends approval of the PUD amendment. This project was proposed as a dense waterfront development and the total of number of units developed will most likely not change. Development of this project has been slow and the developer feels this is the best way to move the project forward.

M. Franzak presented an aerial view of the site and pointed out where the proposed duplex lots would be

located. There would no change in density; a duplex unit would be located on a combined lot rather than two single units on separate lots. In addition, the rear setback for these units would be reduced to 10 feet. R. Charron spoke on behalf of the applicant. He stated that the units would have the appearance of single family homes but would be split down the middle. Eliminating the land area between units allowed for more floor space in a single story, avoiding the need for stairs. The duplex units would be more affordable and their hope was that they would sell quicker. B. Mazade asked what had changed from the original plans. R. Charron stated that the duplex units would bring the price point down, and there was a demand for units without stairs. B. Mazade was concerned that it would change the complexity of the development, and that there would be an excess of rental units. R. Charron stated that the condo documents restricted any short-term rentals. F. Peterson stated that there was a need for upscale rental units downtown, and he didn't see that as being detrimental to the development. He stated that it was a good way for prospective residents to get to know the area. He also believed that the incentives available would encourage home ownership. R. Charron stated that they had met with the current residents and they were comfortable with the proposal. B. Mazade asked if the duplexes would be eligible for NEZ benefits. F. Peterson stated that they would be, if owner-occupied. R. Charron stated that the interior lots being considered for duplexes had been on the market for 3 years and had not yet sold. O. Crain lived in the Terrace Pointe development and spoke in favor of the request. He preferred to see the development completed as soon as possible and believed this would help spur sales.

A motion to close the public hearing was made by B. Mazade, supported by J. Doyle and unanimously approved.

A motion that the request to amend the Planned Unit Development at 650 Terrace Point Circle (Terrace Point Landing Condominiums) to reconfigure the interior lots to allow duplex units in the interior lots as proposed, be recommended to the City Commission for approval was made by J. Doyle, supported by F. Peterson and unanimously approved, with F. Peterson, B. Larson, E. Hood, J. Montgomery-Keast, B. Mazade, S. Gawron, J. Doyle, and M. Hovey-Wright voting aye.

NEW BUSINESS

None

OLD BUSINESS

None.

OTHER

Imagine Muskegon Lake – M. Franzak stated that the City had hired a firm to assist with an “Imagine Muskegon Lake” project. They would be holding workshops to solicit public input, and he would keep the Planning Commission updated on the progress.

There being no further business, the meeting was adjourned at 5:05 p.m.